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Conferees

FEB 19 1986

MEMORANDUM FOR: Deputy Director for Administration
FROM: Robert W. Magee
Director of Personnel
SUBJECT: Retirement Legislation

Dick,

1. Per your request, the following is some background on the supplemental retirement issue should you need it for Hill briefings:

- ° HPSCI and SSCI have met and discussed their basic positions for presentation to House/Senate conferees. A paper is being drafted centering around the following six points. SSCI has promised to let us review the legislation before they respond to HPSCI.

(a) New CIARDS-type employees--the same benefits as law enforcement officers, fire fighters and air traffic controllers (age 50 retirement; 1.7% accrual rate for first 20 years, 1% thereafter, plus a supplement between retirement and age 62).

(b) Non-CIARDS type employees--the same coverage as regular Civil Service (age 55 retirement; 1% accrual rate, plus supplement until age 62).

(c) Non-CIARDS type employees and DIA/NSA employees receive the same accrual rates as CIARDS-types while serving overseas.

(d) Internal administration for all Agency employees.

(e) Current CIARDS former spouse benefits would apply to new legislation.

(f) Retirement regulations continue to be submitted to oversight committees for approval.

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- ° HPSCI and SSCI have not come to an agreement on the future study on expansion of CIARDS. HPSCI is for status quo. SSCI wants this study--because the Chairman, SSCI has the CIARDS study on his agenda, the SSCI will move independently, even if HPSCI is not agreeable.
- ° HPSCI wants our non-CIARDS employees to continue to have appeal rights to the Merit Systems Protection Board (MSPB). The MSPB is very judicial in nature and probably not receptive to intrusions into their territory. While the ideal would be to make everyone the same as CIARDS-types, i.e., exempt from MSPB review, the volume of past activity for non-CIARDS types is not significant enough to pursue this issue.
- ° Overall cost of the proposed program (22.8%) is a major concern of the Administration--we are told nothing beyond 22% is acceptable to Administration. This could be a real issue because it could entail a Presidential veto.
- ° OP representatives are meeting with OPM officials on 21 February to further discuss internal administration and funding issues. Previous discussions divulged OPM is supportive of our security concerns, but wants to ensure that non-CIARDS types are administered and receive the same benefits as all other Civil Service employees.
- ° On FBIS TCNs (non-residence aliens), we are working with OGC and oversight committees to determine how best to include them into the new supplemental retirement package. Several options appear to exist, including continuation of these employees under the old Civil Service system. We are pursuing this matter and believe we are near resolving this issue.
- ° Bottom line is that we essentially have our major concerns resolved in the proposed legislation.
- ° We are staying close to both HPSCI, SSCI staffers, and our consultants so we will know of any potential changes in the direction they are taking.

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